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April 26, 1996

Ex Parte

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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Re: Implementation of Section 302 of the Telecommunications Act of 1996; CS Dkt. No. 96-46

Dear Mr. Caton:

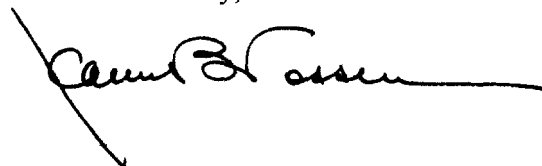
This notice of an oral *ex parte* presentation in the above-referenced proceeding is provided for inclusion in the public record in accordance with the Commission's *ex parte* rules.

Jay Bennett (Pacific Telesis), Mike Bennett (SBC Communications), Kathy Rehmer (SBC Communications), Marie Breslin (Bell Atlantic), Leslie Vial (Bell Atlantic), Ed Shimizu (GTE), Al Shuldiner (Lincoln Telephone), Mike Tanner (BellSouth) and the undersigned met today with Meredith Jones, John Logan, Gary Laden and Rick Chessen of the Cable Services Bureau to discuss implementation of Section 302 of the Telecommunications Act of 1996.

In particular, the discussion focused on local franchise authorities' participation in OVS regulation, the relationship between cable incumbents and collocated OVS systems, the issue of publicizing carriage contracts and distinguishing between analog and digital capacity. We also provided excerpts from an initial ordinance proposed by the City of Irving, Texas which is attached for inclusion in the record.

Please direct any questions regarding this matter to the undersigned.

Sincerely,



Attachment

cc: Meredith Jones
John Logan
Gary Laden
Rick Chessen

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operated by an MCS provider, generally only available to schools, hospitals, government buildings and similar institutions, which is able to provide both upstream capacity needed by the City and the downstream needs of all served facilities.

- (45) "Late charge" means a charge which is added to a subscriber's account or bill for non-payment of a previously due and delinquent account.
- (46) "Local" means within the geographical boundaries of the City of Irving, Texas.
- (47-54) RESERVED.
- (55) "Mayor" means the Mayor for the City of Irving, Texas.
- (56) "MCS" means multi-channel service.
- (57) "MCS provider" or "Multi-channel service provider" means any person or group of persons who:
 - a) provides multi-channel video, voice and/or data communications programming or service over a multi-channel system and directly or indirectly owns a significant interest in such multi-channel system; or
 - b) otherwise controls or is responsible for, through any arrangement, the management and operation of such a multi-channel system.

The term "MCS provider" or "multi-channel service provider" specifically includes the terms "cable operator", "MCS provider" or "multi-point distribution system provider", "MMDS provider", "open video system operator"~~personal communications network system provider (where applicable)~~, and "SMATV operator" (where applicable). An MCS provider need not own the transmission facilities over which its multi-channel service is delivered. References in the ordinance to MCS provider shall encompass subsidiary companies and other affiliates with whom the MCS provider has transactions affecting its provisions of multi-channel services.

- (58) "MDS" means multi-point distribution system.

- (59) "MDS provider" or "Multi-point distribution system provider" means any person or group of persons who is authorized by the FCC, within frequency boundaries established by the FCC, to transmit specialized multi-channel programming or data or facsimile transmission to subscriber-selected locations.
- (60) "Multi-channel programming service" or "Multi-channel service" means:
- a) the transmission to subscribers of video programming, or other programming service; and
 - b) subscriber interaction, if any, which is required for the selection of such video programming or other programming service.
- (61) "Multi-channel system" means a facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment designed to provide multi-channel programming service to multiple subscribers in the City of Irving and vicinity.
- ~~b) a facility consisting of infra-red transmission or point-to-point transmission (as permitted by law), or~~
- ~~c) any functional equivalent that is designed to provide multi-channel service which includes video, voice and data programming or service and which is provided to multiple subscribers within the City.~~

However, such term does not include the following:

- (a) a facility that only retransmits the television signals of one (1) or more broadcast stations; or
- (b) a facility that (i) serves only subscribers in and one (1) or more multi-unit dwellings under common ownership, control, or management; and unless such facility or facilities uses any public rights-of-way, (ii) such facility does not use any public rights-of-way; or
- (c) a facility or common carrier which is subject, in whole or in part, to the provision of Title II of

the Communication Act of 1934 except that such facility shall be considered a multi-channel system ~~(other than for purposes of Section 621 (a) of the CGPA codified at 47 USC: 541)~~ to the extent such facility is used in the transmission of multi-channel programming service to subscribers to such service~~video, voice, or data programming or service directly to subscriber; or~~

(d) any facilities of any electric utility used solely for operating its electric utility.

- (62) "Open video system operator" means a common carrier operating a wire-based video programming distribution system certificated by the Federal Communications Commission pursuant to Section 653(a) of the Communications Act of 1934, 47 U.S.C. § 573(a), as added by Section 302 of the Telecommunications Act of 1996, P.L. 104-104.
- (63) "Other programming service" means information that an MCS provider makes available to all subscribers generally.
- (64) "Open Video System (OVS) means a local exchange carrier may provide cable service to its cable service subscribers in its telephone service area through an open video system that complies with the Act. The conditions under which a LEC may provide OVS will be determined by regulations that the FCC will prescribe consistent with the public interest, convenience, and necessity. Unlike a cable operator, the operations of an OVS must make available two-thirds of its capacity for use by others through reasonable, non-discriminatory tariffs.
- (65-69) RESERVED.
- (70) "Pay-per-view" means single programming offered by an MCS provider for which a subscriber selects and pays a separate fee to view. The programming would not be available to subscribers who do not choose to pay for viewing.
- (71) "Person" means any individual, corporation, business, trust, estate, trust, partnership, association of two (2) or more persons having a joint common interest.

with City representatives, ~~when theoree that~~ MCS provider makes such technologies available to ten (10) percent or more of its national subscriber base.

SECTION 73: SPECIFIC ADDITIONAL PUBLIC, EDUCATIONAL, AND GOVERNMENTAL RULES FOR MCS PROVIDERS.

- A) The City recognizes that fostering a sense of community is one of the goals of local government and that television plays a key role in the information age of providing individuals with knowledge about their community, their government, their schools and issues of importance locally. The City is committed to communicating local information to the broadest spectrum of the community and in order to implement said goals, the City imposes the requirements of this section.
- B) An MCS provider shall provide at its own expense:
- (1) three (3) channels on the system designated for use by the City for programming produced by Irving Community Television Network;
 - (2) one (1) educational access channel;
 - (3) one (1) public access channel that is available for use by various community groups, individuals and organizations which shall be operated by the MCS provider;
 - (4) a commercial access channel leased from the MCS provider pursuant to federal law; and
 - (5) a separate institutional network shall be provided for interactive transmission between schools, governmental buildings, hospitals, institutions and other selected locations.
- C) The City reserves the right to increase the above minimums either by amendment to this ordinance or through requirements in a franchise or authorization agreement.
- D) Each MCS provider shall at its own expense:

Initial Proposed Ordinance by City of Irving

- (1) Employ reasonable efforts and methods to inform citizens of Irving of the availability of public access;
 - (2) Provide public use of one production studio in the city and the production and editing equipment at that studio reasonably necessary to produce programming of a reasonable quality and technically sufficient to be cable cast, subject to such rules and regulations for use as are reasonably necessary to prevent loss or damage to such studio or equipment. This provision does not require that each MCS provider furnish its own separate studio. An MCS provider may meet the terms of this subsection by furnishing its own local studio, or by joining with another MCS provider to make available a local studio or by joining with a community college or another company to make available a local studio; and
 - (3) Provide such instruction in the use of the studio and production and editing equipment as is reasonably necessary for its proper use.
- E) Costs of fulfilling public, educational and governmental requirements:
- (1) ~~Each~~ An MCS provider shall bear the cost of meeting public, educational and governmental requirements;
 - (2) An MCS provider shall pay a uniform per user charge to the City to support the Irving Community Television Network, to be set out in each franchise, license or permit; and
 - (3) Additional requirements, such as special project grants, may be set forth in individual MCS provider's franchises.
- F) In the event there are multiple MCS providers operating concurrently in the City, the City Manager may require each MCS provider to interconnect all the respective PEG, I-Net, and leased channels, or some of them, with those of one or more other MCS providers to jointly provide some or all of the services, facilities, and funding required under this section. Alternatively or cumulatively, the

City Manager may commute duplicative services under this section into monetary payments.

SECTION 74: RESERVED.

SECTION 75: "BLOCKING" CHANNELS; MCS PROVIDER CIVIL LIABILITY.

- A) An MCS provider shall effectively block out any channel upon user request. Effectively blocked means that no audio, video, data or any other signal is received over that channel by the user who requested blocking. An MCS provider shall inform users of their right to block channels at time of installation and at least quarterly thereafter. The notice may be included in a billing statement.
- B) Nothing in this Ordinance shall be deemed to affect the criminal or civil liability of MCS providers pursuant to the Federal, State, or local law of libel, slander, obscenity, incitement, invasions of privacy, false or misleading advertising, or other similar laws.

SECTION 76: EQUIPMENT COMPATIBILITY.

- A) The City recognizes the fact that it is in the public's interest to be able to utilize the functions inherent in subscriber receiving equipment, without having to incur additional costs to obtain the same functions.
- B) At a minimum, an MCS provider shall meet all federal requirements concerning equipment compatibility.
- C) If an MCS provider has equipment which is compatible with the users equipment in other systems, it shall provide Irving users with the same compatibility, unless the MCS provider can demonstrate to the City that it is technically or economically unfeasible or commercially impracticable to provide such equipment to Irving users.

SECTION 77: MISCELLANEOUS PROVISIONS -- TAMPERING AND UNAUTHORIZED RECEPTION OF CERTAIN SERVICES.

- A) No person shall intercept or receive, or assist in intercepting or receiving any communications service offered over a multi-channel system, unless